

Table 19. Summary of per acre costs and returns for a 500 acre farm with above average management, Dona Ana and Sierra Counties, Actual 2004

	ALFALFA ESTABLISHMENT	ALFALFA HAY	PIMA COTTON	PICKER COTTON	GRAIN SORGHUM	SPRING LETTUCE	FALL LETTUCE	WHEAT	FALL ONIONS	MIDSEASON YELLOW ONIONS	SWEET SPANISH ONIONS	GREEN CHILE	RED CHILE
		TONS	LBS	LBS	CWT	CARTONS	CARTONS	CWT	SACKS	SACKS	SACKS	TONS/LBS	LBS
PRIMARY YIELD		7.80	870.00	965.00	40.00	475.00	500.00	92.00	1,200.00	675.00	825.00	11.00	3,500.00
PRIMARY PRICE	\$130.00	\$0.91	\$0.60	\$3.70	\$0.00	\$6.23	\$3.75	\$6.63	\$6.38	\$6.43	\$285.00	\$0.72	\$285.00
GOVERNMENT PAYMENTS	\$0.00	\$0.00	\$143.55	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
SECOND INCOME	\$0.00	\$90.48	\$100.36	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
GROSS RETURN		\$1,014.00	\$882.18	\$822.91	\$147.86	\$2,774.00	\$3,115.00	\$345.00	\$7,956.00	\$4,306.50	\$5,304.75	\$3,135.00	\$2,520.00
CASH OPERATING EXPENSES													
SEED	\$72.00		\$40.00	\$18.00	\$12.30	\$600.00	\$4.00	\$26.40	\$450.00	\$300.00	\$540.00	\$80.00	\$128.00
FERTILIZER	\$27.90	\$41.90	\$63.50	\$63.50	\$20.50	\$154.25	\$146.50	\$95.50	\$317.50	\$235.80	\$235.80	\$141.70	\$118.60
CHEMICALS	\$26.84	\$14.40	\$33.37	\$98.09	\$55.60	\$111.09	\$250.28	\$22.30	\$196.12	\$140.58	\$140.51	\$165.80	\$165.80
CROP INSURANCE			\$2.94	\$0.34	\$2.94			\$2.94				\$40.00	\$40.00
OTHER PURCHASED INPUTS		\$33.42											
CANAL WATER		\$88.00	\$52.00	\$52.00	\$40.00	\$40.00	\$46.67	\$40.00	\$74.67	\$64.00	\$74.67	\$81.33	\$88.00
FUEL, OIL & LUBRICANTS-EQUIPMENT	\$29.89	\$23.24	\$65.83	\$66.26	\$20.50	\$39.83	\$43.44	\$14.58	\$57.12	\$51.96	\$51.96	\$66.59	\$54.62
FUEL-IRRIGATION	\$8.42	\$0.00	\$0.00	\$0.00	\$0.00	\$22.46	\$0.00	\$8.42	\$8.42	\$8.42	\$8.42	\$0.00	\$0.00
REPAIRS	\$13.41	\$6.34	\$29.36	\$29.58	\$8.58	\$18.87	\$20.79	\$5.79	\$26.34	\$23.98	\$23.98	\$25.29	\$23.52
CUSTOM CHARGES	\$73.33	\$59.28	\$134.59	\$123.81	\$16.80	\$1,879.93	\$2,035.64	\$43.48	\$5,109.37	\$2,943.42	\$3,558.26	\$1,360.83	\$1,038.33
LAND TAXES		\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06	\$9.06
OTHER EXPENSES	\$0.38	\$69.48	\$69.68	\$69.69	\$69.09	\$69.58	\$69.64	\$69.01	\$70.03	\$69.89	\$70.02	\$70.29	\$70.06
TOTAL CASH EXPENSES	\$252.18	\$345.12	\$500.33	\$530.31	\$234.86	\$2,945.07	\$2,626.01	\$337.48	\$6,318.62	\$3,847.11	\$4,712.67	\$2,040.89	\$1,735.99
RETURN OVER CASH EXPENSES	(\$252.18)	\$668.88	\$381.85	\$292.59	(\$87.01)	(\$171.07)	\$488.99	\$7.52	\$1,637.38	\$459.39	\$592.08	\$1,094.11	\$784.01
FIXED EXPENSES	\$42.46	\$138.74	\$101.24	\$101.65	\$17.86	\$53.20	\$33.53	\$28.42	\$54.83	\$50.68	\$50.99	\$49.60	\$40.23
TOTAL EXPENSES	\$294.63	\$483.86	\$601.57	\$631.97	\$252.72	\$2,998.26	\$2,659.53	\$365.90	\$6,373.45	\$3,897.80	\$4,763.66	\$2,090.49	\$1,776.22
NET FARM INCOME	(\$294.63)	\$530.14	\$280.61	\$190.94	(\$104.86)	(\$224.26)	\$455.47	(\$20.90)	\$1,582.55	\$408.70	\$541.09	\$1,044.51	\$743.78
LABOR AND MANAGEMENT COSTS	\$53.94	\$130.23	\$136.25	\$135.18	\$45.63	\$215.69	\$131.36	\$51.77	\$271.18	\$221.98	\$259.80	\$240.96	\$221.53
NET OPERATING PROFIT	(\$348.57)	\$399.91	\$144.36	\$55.76	(\$150.49)	(\$439.95)	\$324.10	(\$72.67)	\$1,311.37	\$186.72	\$281.29	\$803.55	\$522.25
CAPITAL COSTS													
INTEREST ON OPERATING CAPITAL		\$5.74	\$11.20	\$9.13	\$4.01	\$41.42	\$28.17	\$6.52	\$62.42	\$41.71	\$52.74	\$26.51	\$25.74
INTEREST ON EQUIPMENT INVESTMENT		\$20.76	\$40.14	\$40.32	\$9.36	\$31.71	\$17.82	\$14.85	\$28.97	\$27.40	\$27.40	\$24.45	\$20.92
TOTAL CAPITAL COSTS	\$0.00	\$26.50	\$51.33	\$49.44	\$13.37	\$73.13	\$45.99	\$21.37	\$91.39	\$69.11	\$80.14	\$50.96	\$46.67
RETURN TO LAND AND RISK	(\$348.57)	\$373.41	\$93.03	\$6.31	(\$163.86)	(\$513.08)	\$278.12	(\$94.04)	\$1,219.98	\$117.61	\$201.14	\$752.58	\$475.58

Flex Computation

234.40  
234.400544

148.28

-136.64

-50.78

Table 20. Whole farm budget summary, Dona Ana and Sierra Counties,  
Actual 2004

GROSS RETURNS		
ALFALFA HAY	160 ACRES	
CROP		\$162,240
PIMA COTTON	17 ACRES	
LINT		\$13,459
SEED		\$1,538
COUNTER CYCLICAL PAYMENT		\$0
UPLAND COTTON	149.00 ACRES	
LINT		\$86,271
SEED		\$14,954
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$21,389
GRAIN SORGHUM	17 ACRES	
CROP		\$2,514
DIRECT PAYMENT		\$0
COUNTER CYCLICAL PAYMENT		\$0
SPRING LETTUCE	10 ACRES	
CROP		\$27,740
FALL LETTUCE	50 ACRES	
CROP		\$155,750
WHEAT	17 ACRES	
CROP		\$5,865
DIRECT PAYMENT		\$0
FALL ONIONS	20 ACRES	
CROP		\$159,120
MIDSEASON YELLOW ONIONS	20 ACRES	
CROP		\$86,130
SWEET SPANISH ONIONS	20 ACRES	
CROP		\$106,095
GREEN CHILE	15 ACRES	
GREEN		\$47,025
RED		\$0
RED CHILE	15 ACRES	
RED		\$37,800
GROSS RETURN		<u>\$927,889</u>
CASH OPERATING EXPENSES		
SEED		\$42,020
FERTILIZER		\$48,539
CHEMICALS		\$48,028
CROP INSURANCE		\$1,400
OTHER PURCHASED INPUTS		\$5,348
CANAL WATER		\$33,612
FUEL, OIL & LUBRICANTS-EQUIPMENT		\$24,111
FUEL-IRRIGATION		\$1,210
REPAIRS		\$10,148
CUSTOM CHARGES		\$422,968
LAND TAXES		\$4,619
OTHER EXPENSES		\$35,529
TOTAL CASH EXPENSES		<u>\$677,530</u>
RETURN OVER CASH EXPENSES		\$250,359
FIXED EXPENSES		\$34,295
TOTAL EXPENSES		<u>\$711,825</u>
NET FARM INCOME		\$216,064
LABOR AND MANAGEMENT COSTS		\$77,830
NET OPERATING PROFIT		<u>\$138,234</u>
CAPITAL COSTS		
INTEREST ON OPERATING CAPITAL		\$8,392
INTEREST ON EQUIPMENT INVESTMENT		\$13,987
TOTAL CAPITAL COSTS		<u>\$22,378</u>
RETURN TO LAND AND RISK		<u>\$115,855</u>
LAND VALUE	RETURN TO RISK*	RETURN ON INVESTMENT**
\$3,000 /ACRE	\$70,855	8.27%
\$5,000 /ACRE	\$40,855	5.17%
\$7,000 /ACRE	\$10,855	3.77%
\$9,000 /ACRE	(\$19,145)	2.96%
\$11,000 /ACRE	(\$49,145)	2.44%

\* RETURN TO LAND AND RISK MINUS (INTEREST RATE TIMES LAND VALUE TIMES ACREAGE)

\*\* NET OPERATING PROFIT DIVIDED BY (MACHINERY AND EQUIPMENT VALUE PLUS LAND VALUE)